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Financial Management

**OFFICIAL REPRESENTATION
FUNDS-GUIDANCE AND PROCEDURES**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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(Ms Dona Baillargeon)
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(Mr George V. Cava)
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This instruction implements AFI 65-2, *Financial Management, Internal Management Controls*, and governs the use of official representation funds (ORF) to all activities issued ORFs. It carries out DoDD 7250.13, *Official Representation Funds (ORF)*, 23 February 1989, and any changes to it. Major commands (MAJCOM), Direct Reporting Units (DRU), and field operating agencies (FOA) may supplement this instruction to furnish detailed guidance for base-level operations and provide for periodic self-inspections. Do not issue supplements without prior approval by the 11th Wing (11 WG). Send comments and suggested improvements on AF Form 847, **Recommendation for Change of Publication**, through channels, to 11 WG/FM, 1430 Air Force Pentagon, Washington DC 20330-1430.

SUMMARY OF REVISIONS

This revision aligns with DoDD 7250.13, increasing the limit for mementos to \$245 (paragraph 4.), and clarifies information required by report on AF Form 134, **Report of Contingency Expenditures**. A | indicates revisions from the previous edition.

1. Instructions for Using ORFs. The Air Force uses these funds to uphold the standing and prestige of the United States by extending official courtesies to certain officials and dignitaries of the United States and foreign countries. The Secretary of the Air Force may authorize the use of representation funds for any purpose considered appropriate according to the DoD policies. Unless specifically authorized by the Secretary or designee, commanders may spend ORFs only for official entertainment or other official purposes authorized in this instruction. The Command OPR will:

- 1.1. Keep records on a function-by-function basis to furnish data on how and why these funds are used.

1.2. Conduct entertainment on a modest basis that complies with socially acceptable mores of American society and jointly serves policy objectives of the United States and the interest of the taxpayer. Invite only the number of guests necessary to extend proper courtesy to the guests of honor. When honoring guests from outside the DoD, observe the following ratios of DoD personnel (including spouses or escorts) to non-DoD guests:

1.2.1. Parties of less than 30 persons--not more than 80 percent should be DoD personnel.

1.2.2. Parties of 30 or more persons--not more than 50 percent should be DoD personnel.

1.3. In determining the above ratios, foreign military personnel assigned to the host activity are counted as DoD personnel. Deviations of more than 5 percent from the maximum number of DoD participants paid from ORFs need advance approval from the Office of the Secretary of the Air Force.

2. Authorized Categories of Entertainment:

- Community Relations. Entertainment needed to maintain domestic and foreign civic or community relations.
- International Relations. Entertainment in honor of a visiting distinguished foreign national.
- Public Relations. Entertainment for a visiting distinguished American citizen, as specified in paragraph 3.2.
- DoD Protocol. Entertainment incidental to a visit by DoD personnel, as specified in paragraph 3.3.
- Other Expenditures. Mementos, food, and refreshment purchases for inventory and expenses not covered in above categories.

3. Who May Be Entertained:

3.1. Distinguished foreign or US citizens whose rank, position, function, or stature warrant extension of official courtesies by the US Government.

3.2. US Federal, state, county, and local officials, such as the President and the Vice President of the United States; members of the Cabinet; members and professional staff personnel of the Congress; other US Government officials comparable to DoD officials listed in paragraph 3.3.; governors of states; mayors of cities; citizens' committees; and other distinguished or prominent citizens who have made a substantial contribution to the Nation or DoD, including the local community and members of the news media on certain occasions.

3.3. Commanders may entertain the following members of the DoD at Air Force installations. They must limit costs to what is minimally needed to extend official courtesies to the member while on official visits to the field:

- Secretary of Defense and Deputy Secretary of Defense
- Under Secretaries of Defense
- Director, Defense Research and Engineering
- Assistant Secretaries of Defense
- General Counsel of the Department of Defense
- Inspector General of the Department of Defense

- Director, Operational Test and Evaluation
- Assistants to the Secretary of Defense
- Chairman and Vice Chairman of the Joint Chiefs of Staff
- Director, Joint Staff
- Unified Commanders
- Deputy Commander-in-Chief, Europe
- Secretaries, Under Secretaries, Assistant Secretaries and General Counsels of the Military Departments
- Chiefs and Vice Chiefs of Staff of the Army and Air Force
- Chief and Vice Chief of Naval Operations
- Commandant and Assistant Commandant of the Marine Corps
- Directors of the Defense Agencies
- President, Uniformed Services University of the Health Sciences

3.4. ORF costs of an event honoring authorized individuals may include members of the official party and other essential invitees. Do not authorize separate events to honor spouses of visiting officials unless related to the official purpose of the visit.

4. Authorized Purchase of Mementos. Designated hosts may present mementos to dignitaries and officials listed in paragraph 3., excluding all US Government employees and military members. Other officials may present gifts only in extenuating circumstances if specifically authorized in writing by the commander, or his designee, who administers ORFs. The aggregate cost of gifts or mementos purchased or presented by a DoD official to an authorized recipient must not exceed \$245.

5. Expenditures Not Authorized:

5.1. Costs for retirement and change-of-command ceremonies for DoD personnel, unless specifically approved in advance by the Secretary of the Air Force.

5.1.1. Normally HQ USAF only considers requests for events associated with unified and major command change-of-command ceremonies for approval. It limits appropriated support to the pro rata costs of authorized non-DoD attendees.

5.1.2. Requests must include itemized estimated costs and the proposed list of distinguished guests with their titles whose costs are to be paid from appropriated funds. Headquarters US Air Force (HQ USAF) should receive the request at least 10 working days before issuance of invitations. Do not issue invitations prior to notification of approval.

5.2. Payment for membership fees or dues.

5.3. Expenses, other than authorized official entertainment, connected with conferences, conventions, seminars, or working groups, except when specifically approved in advance by the Secretary of the Air Force.

5.4. Expenses normally considered personal obligations.

5.5. Expenditures for seasonal greetings and calling cards.

5.6. Expenses for classified projects for intelligence purposes.

5.7. Expenses eligible to be financed from other appropriated or nonappropriated funds. However, pro rata costs of non-DoD authorized guests' participation in morale, welfare, recreation, and service activities may be paid from ORFs, unless otherwise prohibited here.

6. Personnel Authorized To Be Hosts. The Secretary of the Air Force, Chief of Staff, HQ USAF, and subordinate commanders who administer an approved official representation program may extend courtesies. These officials may delegate their authority on a case-by-case basis. Only the Secretary or the Chief of Staff of the Air Force may extend invitations for foreign dignitaries to visit the United States at the expense of the Department of the Air Force.

7. Fund Authorization. Official budget authorizations issued through comptroller channels convey secretarial authority to use ORFs.

7.1. After Financial Management and Comptroller has certified funds availability, the commander or designee must approve funds request for propriety. Do not delegate approval authority below senior officials in the applicable command element.

7.2. Requests must justify and itemize proposed expenditures, identify the category of entertainment, include proposed guest list with position or title of invitees, indicate guest ratios of DoD to non-DoD personnel where applicable, and date of event. Provide a revised guest list of actual attendance as part of the accounting documentation.

7.3. The Defense Accounting Office uses the approved requests to obligate funds pending disbursement action.

8. Maintaining Inventories. Control and inventory all purchases of refreshments or mementos for stock using detailed procedures to ensure that:

8.1. There is a perpetual inventory with a clear audit trail of items purchased and later issued from the inventory by name and title of recipient. You may identify mementos presented that cost less than \$20 each to events or generic categories of recipients.

8.2. An annual physical inventory is made by impartial personnel who reconcile the beginning inventory, purchases, and items presented, to the inventory on hand. Report findings to the designated funds approval official and file report with inventory records for audit purposes. **NOTE:** The ORF approval authority appoints the inventory custodians and alternates in writing and ensures they are briefed on their responsibilities for controlling the inventory and related ORF policies.

9. Responsibility for Administering Funds:

9.1. The Secretary of the Air Force is the final approval authority for all contingency fund expenditures. The Secretary delegates overall management authority to the Administrative Assistant to the Secretary, who ensures the Air Force Audit Agency conducts audits.

9.2. All DoD personnel authorized to expend ORFs must personally monitor the use of such funds to ensure the highest order of propriety and integrity of all expenditures.

10. Special Requirements. Use of ORFs for purposes not authorized in this regulation must receive prior approval from the Office of the Secretary of the Air Force. Requests must justify the requirement,

itemize costs, and identify the guests of honor. Send requests to the Office of the Chief of Staff, HQ USAF, through 11 WG/FM, a minimum of 30 workdays in advance of committing Air Force funds.

11. Reporting Required. The following quarterly reports are required by 10 U.S.C. 140 and DoDD 7250.13 for MAJCOMs, FOAs, and DRUs authorized PEC 91515F, *Miscellaneous Current Expense Funds*:

11.1. Quarterly Report of Emergency and Extraordinary Expenses (RCS: DD-COMP(Q)1390): Report of cumulative accrued expenditures unpaid and accrued expenditures paid in PEC 91515F will be extracted by Defense Finance and Accounting Service-Denver Center (DFAS-DE). DFAS-DE/ADR will report for each operating agency code by fiscal year, for current year, and the five previous years. Report will be submitted to 11 WG/FM, using mutually agreed method, not later than 20 calendar days after the close of the quarter. Negative reports are required.

11.2. Report of Contingency Expenditures (RCS: SAF-FM(Q)7113). This report carries emergency status code C-2; continue reporting during emergency conditions, precedence normal. Submit data requirements in this category as prescribed, or as soon as possible after submission of priority reports. When **MINIMIZE** conditions are in effect, send report priority mail.

11.2.1. Use AF Form 134, **Report of Contingency Expenditures**. If the report consists of more than one page, the Commander's signature is required only on the first page. A computer-generated product is acceptable provided prescribed format is followed.

11.2.2. To prepare report, in column B organize functions by categories of entertainment (paragraph 2.) and subtotal each category. Include primary guest or group honored by position, type of function (luncheon, dinner, reception, etc.), and date held. Columns A, E, F, and G are self-explanatory; however, you must explain expenditures in column F in detail on the reverse side or on an addendum. In column C, enter total number of DoD military and civilian personnel (including spouses or escorts); in column D, enter total number of all persons including DoD personnel shown in column C whose expenses were paid from ORF.

11.2.3. On AF Form 134, enter RCS: SAF-FM(Q)7113 in the block "Report Control Symbol" in the upper right-hand corner:

11.2.3.1. Block 1--Total Accrued Expenditures Paid (Disbursements) This Reporting Period. Enter total of the amounts shown under column G. Include only those items representing disbursements during the current reporting period in this total.

11.2.3.2. Block 2--Total Accrued Expenditures Paid To Date (Disbursements). Enter the cumulative disbursements to date. This amount must agree with disbursements reflected on the final Operating Budget and Allotment Ledgers (the position reported in the Status of Funds Data Base Transmission) for the same month that the AF Form 134 shows as the ending month of the reporting period.

11.2.3.3. Block 3--Total Accrued Expenditures Unpaid and Undelivered Orders Outstanding. Enter the cumulative, to date, accrued expenditures unpaid and undelivered orders outstanding.

11.2.3.4. Block 4--Total Obligations. Enter the cumulative obligations, to date, (block 2 plus block 3). This amount must agree with the cumulative obligations reflected on the final Operating Budget and Allotment Ledgers (the position reported in the **Status of Funds Data Base**

Transmission for the same month that the AF Form 134 shows as the ending month of the reporting period.

11.2.4. Send quarterly reports as of 31 December, 31 March, 30 June, and 30 September not later than 30 workdays after the end of the reporting period to 11 WG/FM, 1430 Air Force Pentagon, Washington DC 20330-1430.

11.2.5. Continue reporting until all obligations for a fiscal year have been liquidated. Block 2 and block 4 should be identical on final report.

11.2.6. The commander or vice commander must sign report unless sending a negative report.

12. Form Prescribed. AF Form 134, **Report of Contingency Expenditures.**

ROBERT F. HALE
Assistant Secretary of the Air Force
Financial Management and Comptroller